

# PROGRAM OPPORTUNITY NOTICE

## Community Scale Renewable Energy Development, Deployment and Integration



**PON-12-502**

<http://www.energy.ca.gov/contracts/index.html>

State of California

California Energy Commission

**October 2012**

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# I. Introduction

## PURPOSE OF PON

The purpose of this Program Opportunity Notice (PON) is to fund research, development, and demonstration (RD&D) projects that: demonstrate optimized community-specific renewable energy systems; develop the tools and models to quantify the impacts and benefits of increasing local renewable energy penetrations in California's communities; and develop breakthrough renewable energy technologies to effectively take advantage of existing localized renewable resources for electricity generation.

This PON is sponsored by the California Energy Commission's Public Interest Energy Research (PIER) Program. It has three distinct research areas (each proposal must address only one research area):

- **Community Scale Renewable Energy Integration Demonstration** seeks proposals that aim to demonstrate the cost-efficient integration of high-penetrations of renewable energy within a given community based on the locally-available renewable energy potential, and to increase energy security for that community.
- **Community Scale Renewable Energy Integration Exploration** aims to formulate community-specific renewable energy development plans, including the tools and methodologies necessary to do so.
- **Breakthrough Community Scale Renewable Energy Technology Development** seeks proposals that aim to develop renewable energy technologies that offer breakthrough potential in the commercial energy market, and will provide a significant contribution towards California's 2020 renewable energy goals.

## KEY ACTIVITIES AND DATES

Dates and times for key activities under this PON are presented below. An addendum will be released if the dates change for the asterisked (\*) activities.

ACTIVITY	ACTION DATE
PON Release	October 15, 2012
Pre-Application Workshop #1	October 26, 2012
Pre-Application Workshop #2	October 30, 2012
Deadline to Submit Questions	November 1, 2012
Distribute Questions/Answers and Addenda	<b>November 21, 2012</b>
<b>Deadline to Submit Applications by 3:00 p.m.*</b>	<b>December 18, 2012</b>
Anticipated Notice of Proposed Award Posting Date	<b>February, 2013</b>
Anticipated Commission Business Meeting Date	<b>May 2013</b>
Anticipated Agreement Start Date	June, 2013
Agreement Termination Date	March 31, 2015

## FUNDING

### A. Available Funding

There is \$8,950,000 available for the agreements resulting from this PON. The amount will be divided among the three research areas as follows:

- **Community-Scale Renewable Energy Integration Demonstration:** up to \$7,000,000, with a maximum of \$1,750,000 per project.
- **Community-Scale Renewable Energy Integration Exploration:** up to \$900,000, with a maximum of \$300,000 per project.
- **Breakthrough Community Scale Renewable Energy Technology Development:** up to \$1,050,000, with a maximum of \$525,000 per project.

The Energy Commission may augment the level of funding apportioned to each research area and to make the final determination on how to allocate available funding. The Energy Commission may also reduce the agreement amounts if budgeted funds do not provide full funding for agreements. In this event, the Recipient and Commission Agreement Manager (CAM) will meet and reach agreement on a reduced scope of work commensurate with the level of available funding.

## **B. Match Funding**

Match funding equivalent to a **minimum of 25%** of the requested PIER funding is required. Eligible match funding includes: equipment, materials, travel, information technology (IT) services, subcontractor costs, and in-kind contractor labor. Match funds may come from the prime contractor, subcontractors, or the demonstration site. Note that unspent funding awards already earned from other agencies for the proposed technologies count as "cash in hand" for the prime contractor and this funding is acceptable as match because it is already in the prime contractor's possession.

Under no circumstances will future, contingent awards from other entities count as match funds. Match funds must be used either before or concurrently with PIER grant funds, **but not prior to the date of agreement approval at an Energy Commission Business Meeting. Any funds used prior to approval of the agreement at an Energy Commission business meeting cannot be used as match funds.**

## **PROGRAMS AND POLICIES APPLICABLE TO THE PROJECT**

### **A. Public Interest Energy Research Program**

This PON is funded by the PIER Electricity program. PIER is funded by California electricity investor-owned utility ratepayers for the purpose of supporting public interest energy RD&D efforts that are not adequately provided by competitive and regulated markets (see California Public Resources Code Sections 25620 – 25620.15).

PIER brings new energy services and products to the marketplace and creates statewide environmental and economic benefits. PIER funding efforts are focused on the following RD&D program areas:

- Buildings End-Use Energy Efficiency
- Energy Innovations Small Grants
- Energy-Related Environmental Research
- Energy Systems Integration
- Industrial/Agricultural/Water End-Use Energy Efficiency
- Renewable Energy Technologies
- Transportation Research

### **B. Renewables Portfolio Standard**

California has the country's most ambitious renewables portfolio standard for electricity utilities, accelerated in 2011 to a 33% by 2020 goal (SB X1 2, Simitian, Chapter 1, Statutes of 2011-12, First Extraordinary Session). New renewable generation is predicted to come from a broad portfolio of renewable energy generation technologies based primarily on wind, solar thermal, geothermal, solar photovoltaics, and (to a lesser extent) low levels of biomass, biogas and small hydro power.

### **C. Governor's Clean Energy Jobs Plan**

Governor Brown's Clean Energy Jobs Plan calls for a significant increase in localized renewable energy generation by 2020. Localized energy generation refers to energy sources that do not require extensive permitting review or new transmission capacity, and are located within the low-voltage distribution grid or supply power directly to consumers. Localized energy is synonymous with distributed generation or generation at the distribution-level, located at or near substations, on customer sites, or "behind the meter." Specifically, the jobs plan calls for:

- 12,000 megawatts (MW) of additional localized energy generation by 2020
- 6,500 MW of additional combined heat and power capacity by 2030

### **D. Assembly Bill 32**

Assembly Bill 32, also known as AB 32 or the California Global Warming Solutions Act of 2006, establishes a cap on greenhouse gas emissions by 2020 equivalent to 1990 levels. In its December 2008 Climate Change Scoping Plan, the California Air Resources Board estimated that the 33 percent RPS target would provide a significant portion of carbon dioxide equivalent savings needed to meet the AB 32 2020 target.<sup>1</sup>

### **E. Integrated Energy Policy Report**

The California Energy Commission adopts an Integrated Energy Policy Report (IEPR) every two years and an update every other year, recommending strategies to meet the state's energy needs and reduce its greenhouse gas emissions as required by Senate Bill 1389 (Bowen, Statutes of 2002, Chapter 568). The IEPR assesses and forecasts all aspects of energy industry supply, production, transportation, delivery and distribution, demand, and pricing. The Energy Commission uses these assessments and forecasts to develop energy policies that:

- Conserve resources;
- Protect the environment;
- Ensure energy reliability;
- Enhance the state's economy; and

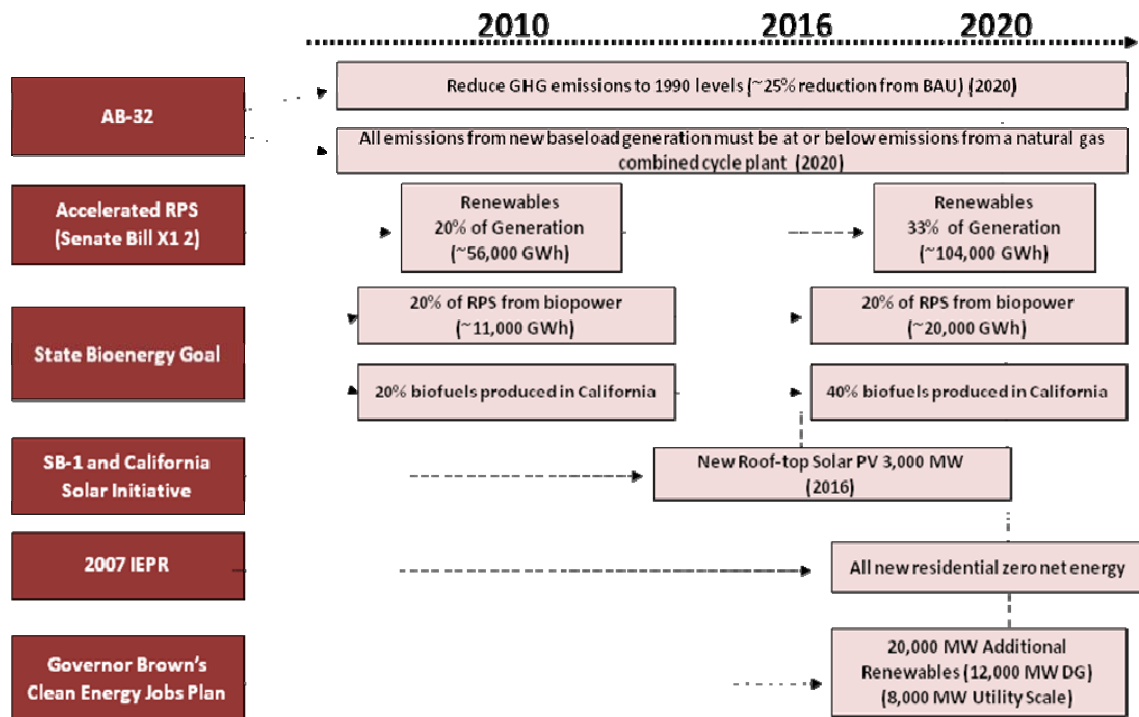
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<sup>1</sup> Climate Change Scoping Plan: A Framework for Change. Prepared by the California Air Resources Board. December 2008. [http://www.arb.ca.gov/cc/scopingplan/document/adopted\\_scoping\\_plan.pdf](http://www.arb.ca.gov/cc/scopingplan/document/adopted_scoping_plan.pdf) (accessed June 8, 2009).

- Protect public health and safety

## F. Bioenergy Action Plan

In 2006, an Interagency Bioenergy Working Group was formed to establish targets for the use and production of biofuels and biopower and to help advance biomass programs in California. The Interagency Bioenergy Working Group assembled a [Bioenergy Action Plan](#) that provides specific actions and timelines that agencies agreed upon to carry out the effort.





## II. Eligibility Requirements

### ELIGIBLE APPLICANTS

Applicant eligibility is specific to each research area, as outlined in section A below. Publicly-owned utilities (POUs) are not eligible to apply to this PON. **All proposed demonstration sites must be located in a California electric investor-owned utility (IOU) service territory.**

#### A. Research Area Eligibility Requirements

##### 1. Community-Scale Renewable Energy Integration Demonstration

The Prime Applicant should be an organization that is empowered to act on behalf of the proposed geographically defined, California community in the matters of energy planning and implementation. Below are examples of eligible organizations and their related community contexts:

- Local governments targeting net-zero energy communities.
- Higher education institutions aiming to shift campus energy supply to renewable energy.
- School districts aiming to shift district-wide supply to renewable energy.
- Municipal facilities aiming to become more energy secure (e.g., water treatment plants and prisons).
- **Electric IOUs** engaged in facilitating renewable energy development for a community within their service territories.
- Chartered industry or agriculture associations engaged in development and aggregation of renewable energy supply by local industry members.
- Corporate entities or industry associations exploring or implementing a renewable energy vision and empowered to represent the energy users in a proposed or already established business park or industrial zone.
- Military installations aiming to achieve energy security and primary reliance on renewable energy.
- Brownfield sites looking to repurpose previously disturbed land for renewable energy production.

##### 2. Community-Scale Renewable Energy Integration Exploration

Same as above.

### 3. Breakthrough Community-Scale Renewable Energy Technology Development

Eligible applicants and teams include organizations, researchers and developers with access to the National Laboratories or other research facilities and/or with prior experience of product development and commercialization. The proposed “breakthrough” technology in the proposal must show a considerable market potential once fully commercialized, and the proposed research team should demonstrate the ability to replicate the approach across California. Proposals need to illustrate how the results of the research will provide significant near-term benefits to California’s renewable energy activities and public electricity ratepayers.

#### B. Terms and Conditions

Each Applicant must agree to use the version of the PIER Grant Terms and Conditions that corresponds to its organization: (1) University of California terms and conditions; (2) National Laboratory terms and conditions; or (3) general PIER Terms and Conditions. The terms and conditions can be found at: <http://www.energy.ca.gov/contracts/pier.html#piergeneralinfo>. Applicants should read the Terms and Conditions carefully, especially the royalty provisions section. ***The Energy Commission reserves the right to modify the Terms and Conditions*** prior to executing grant agreements.

#### C. California Secretary of State Registration

California business entities as well as non-California business entities conducting intrastate business in California are required to register and be in good standing with the California Secretary of State to enter into a funding agreement with the Energy Commission. If not currently registered with the California Secretary of State, Applicants are encouraged to contact the Secretary of State’s Office as soon as possible to avoid potential delays in beginning the project if successful under this PON. For more information, visit the California Secretary of State’s website at [www.sos.ca.gov](http://www.sos.ca.gov).

#### D. California-Based Entities and Government Entities in California

Pursuant to AB 2267 (Fuentes, 2008), the Energy Commission’s PIER program must give a priority to “California-based entities” (CBEs) when making awards. A CBE is defined as a corporation or other business form organized for the transaction of business that either:

- Has its headquarters in California AND manufactures in California the product that is the subject of the award; OR
- Has an office for the transaction of business in California AND substantially manufactures the product or substantially performs the research within California that is the subject of the award.

For purposes of this PON, entities eligible to count toward this 60% spending requirement include government entities in California (such as school districts, local government agencies, special districts, and federal institutions located in California). Therefore, CBEs or government entities in California must be included as a Prime Applicant or subcontractor and must receive at least 60% of the PIER funds requested in this solicitation.

The proposal budget must allocate **at least 60%** of PIER funds to one or more CBEs and/or government entities in California, such as those described above.

- The 60% applies only to PIER funds and does not include the Applicant's matching funds. For example, if a proposal has a PIER budget of \$1,000,000 (regardless of how matching funds are pledged), the budget must show that a minimum of \$600,000 of PIER funds are allocated to CBEs and/or government entities in California.
- Multiple CBEs or government entities in California may be used to meet the minimum 60% requirement. For example, the 60% requirement is met if the recipient is a CBE or government entity in California and receives 31% of PIER funds and an eligible California-based subcontractor receives 29% of PIER funds.
- No more than 40% of PIER funds may be subcontracted to entities that are not CBEs or government entities in California.
- **A California-Based Entity (CBE) Form, Attachment 11, should be completed for each CBE included in the application.**

#### **E. Economic Investment in California**

At least 60% of PIER funds must be spent in California on expenses that fall within the categories identified in Attachment B-2 (Category Summary) of Attachment 7 (Budget Forms). These expenses include direct labor, fringe benefits, equipment, materials/miscellaneous, minor subcontractors, indirect overhead, general and administrative costs, and travel costs.

Payments made to out-of-state workers do not constitute funds spent in California. However, funds spent by out-of-state workers in California (e.g., hotel and food) can count as Funds Spent in California. Business transactions (e.g., material and equipment purchases, leases, and rentals) will be entered into with a business located in California. Airline ticket purchases are not considered funds "Spent in California."

The proposed budget must provide justification that at least 60% of PIER funds will be spent in California. Additional points will be awarded to projects that spend over 60% of PIER funds in California according to the scale included in the technical scoring criteria on page 24 of the PON Manual.

## ELIGIBLE PROJECTS

PIER funding must be used for new and unique research and may not be used to conduct research activities currently funded under existing PIER or other California agency agreements. ***Proposed demonstration sites must be located in a California electric IOU service territory.***

This PON has three distinct research areas. Below is a description of each area:

### A. Community Scale Renewable Energy Integration Demonstration

The primary objective of proposals in this category is for communities to achieve reliance on a cost-effective portfolio of locally-available renewable energy resources for electricity, while supporting the advancement of renewable energy for heating, transportation and other energy demands. Proposals should demonstrate: (1) the integration of locally-available community-scale renewable resources as a reliable source of electricity generation; and (2) the integration of high penetrations of locally-available renewable resources with enabling technologies and existing community and utility energy infrastructure to increase energy security and reliability, reduce electricity imported from external sources, and reduce the cost of providing back-up grid services.

Projects offered by community organizations and their teams should consider the full range of renewable energy solutions consistent with locally available resources and make use of those that are economically viable. Communities should investigate multiple renewable technology combinations to achieve cost-optimum primary reliance on renewable energy. Proposals must include at least one renewable source of electricity generation (renewable resources listed in Table 1) as well as one or more “enabling technology” identified in this PON to ensure system reliability and to amplify the benefits realized by local renewable energy development.

### B. Community Scale Renewable Energy Integration Exploration

Proposals should involve development of strategies, models, and tools that assist communities in the optimum deployment of localized renewable energy generation portfolios, consistent with the proposed community’s needs and available resources. Proposals should leverage lessons learned from other communities’ renewable energy integration efforts to develop a community-wide energy action plan that identifies a long-term vision of cost-efficient reliance on renewable energy and near-term actions to achieve that vision. Information on ongoing PIER renewable energy integration research projects can be found at:  
<http://energy.ca.gov/research/renewable/projects.html>.

Proposals should contain the necessary analysis of all potential resources and apply appropriate models to ensure that future renewable energy projects are deployed in an optimum manner that maximizes benefits to the community. A successful project will result in the development of the tools, models, and analysis needed to evaluate local renewable energy development scenarios, as well as a viable plan for the community to become primarily reliant on renewable energy.

Exploratory projects should result in a community-specific renewable energy development plan that includes but is not limited to the following elements:

- A long-term energy vision that is consistent with California's energy and environmental goals.
- Specific near-term technical actions to help achieve the long-term vision.
- An analysis of the economic and environmental benefits that will result both locally and statewide.
- An explanation of specific public interest research gaps that will need to be addressed in order to achieve the vision.
- An outline of policy recommendations that would allow for accelerated deployment of localized renewable energy systems in the community.
- Evidence of the community's commitment and ability to follow through on exploratory stage results.

Technologies that are eligible for consideration in demonstration and exploratory projects include but are not limited to (see Table 1):

Renewable Resources (Electricity)	Enabling Technologies
<ul style="list-style-type: none"> <li>• Solar PV/ Concentrating PV</li> <li>• Solar thermal</li> <li>• Wind energy</li> <li>• Biomass/biogas</li> <li>• Small hydro</li> <li>• Geothermal</li> </ul>	<ul style="list-style-type: none"> <li>• Energy efficiency</li> <li>• Demand response</li> <li>• Battery storage</li> <li>• Thermal storage</li> <li>• Grid integration technologies</li> <li>• Electric vehicle charging</li> <li>• Fuel cells</li> <li>• Combined heat and power</li> <li>• Combined cooling, heating and power</li> <li>• Geothermal heat pumps</li> <li>• Solar hot water</li> </ul>

Table 1

### C. Breakthrough Community-Scale Renewable Energy Technology Development

This Research Area will fund innovative and unique renewable energy generation technologies that offer significant breakthrough potential and significant advantages over existing technologies or applications in localized community settings, with the capacity to considerably expand renewable energy generation within California once fully commercialized. Technologies that offer significant advantages over existing renewable energy generation technologies and that have a vast market potential once commercialized will be prioritized.

Technology development projects in this category should be focused on low-cost renewable energy generation and/or innovative applications that provide additional co-benefits to California communities. The primary focus of all breakthrough technology development projects should be increasing the economic competitiveness of renewable energy generation in community-scale (100 kW → 10 MW) and distributed generation applications.

Proposals must include a detailed discussion and justification of the breakthrough potential for the proposed technology, using valid scientific principles and market assumptions. Proposals must also clearly describe the characteristics of existing commercial technology and the comparative advantages of the proposed breakthrough technology.

Specific focus should be placed on technologies that allow for cost-effective high-penetration renewable energy deployment and that are scalable to a broad range of communities across California. Proposals will be evaluated based on the technology's potential to significantly increase technology performance, decrease unit costs, and/or increase market acceptance relative to existing commercial technologies. Market penetration and replicability of the approach will also factor into the scoring criteria for this Research Area.

Final products in this Research Area should be novel energy generation technologies that demonstrate sufficient technical and economic promise to attract additional private funding for a full-scale demonstration. Eligible technologies should have already been demonstrated at bench-scale (small laboratory demonstrations) and ready to move on to pilot-scale testing.

Some examples of potentially breakthrough technologies are:

- High-performance energy generation materials.
- Integration of multiple existing materials in a single high-efficiency renewable energy system.
- Hybrid concentrating PV and solar hot water system resulting in high-efficiency energy generation.
- Other novel technologies and techniques to utilize waste heat from renewables for electricity generation.

## **PRE-APPLICATION WORKSHOPS**

There will be two Pre-Application Workshops. Participation in these workshops is optional but encouraged. The workshops will be held through in-person participation, WebEx, and conference call on the date and at the time and location listed below. Please call (916) 654-4381 or refer to the Energy Commission's website at [www.energy.ca.gov/contracts/index.html](http://www.energy.ca.gov/contracts/index.html) to confirm the date and time:

<b>Date and Time</b>	<b>Location</b>	<b>WebEx Information</b>
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October 26 <sup>th</sup> , 2012 10:00 AM	California Energy Commission Hearing Room A 1516 9 <sup>th</sup> Street Sacramento, CA 95814	Meeting #: 921 725 766 Password: meeting@10
October 30 <sup>th</sup> , 2012 10:00 AM	<b>UC San Diego Engineering Building Unit 2, Room 584 Matthews Lane at Voigt Drive, La Jolla, CA 92093</b>	Meeting #: 924 363 967 Password: meeting@10

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COMPUTER LOGON  
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1. Please go to <https://energy.webex.com> and enter the unique meeting number, listed above.
  2. When prompted, enter your information and the meeting password, listed above.
- NOTE: Access to WebEx meetings is now available from your mobile device. To learn more and access your app, please visit <http://www.webex.com/overview/mobile-meetings.html>

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TELECONFERENCE  
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After logging in on the computer, an AUDIO CONFERENCE BOX will offer you the choice of phone connections:

1. TO HAVE WEBEX CALL YOU BACK: Type your area code and phone number and click "Call Me"
2. TO CALL INTO THE TELECONFERENCE: Use the drop-down box to select "I will call in" and follow the on-screen directions
3. INTERNATIONAL CALLERS: Click on the "Global call-in number" link in part (2) above
4. TO LISTEN OVER THE COMPUTER: If you have the needed equipment and your computer is configured, click on "Use Computer Headset" and then "Call Using Computer" to use VoIP (Internet phone)

TELEPHONE ONLY (NO COMPUTER ACCESS): Call 1-866-469-3239 (toll-free in the U.S. and Canada) and when prompted enter the unique meeting number listed above. International callers can select their number from <https://energy.webex.com/energy/globalcallin.php>

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TECHNICAL SUPPORT

For help with problems or questions trying to join or attend the meeting, please call WebEx Technical Support at 1-866-229-3239.

System Requirements: To see if your computer is compatible, visit <http://support.webex.com/support/system-requirements.html> and refer to the WBS 27 section

Meeting Preparation: The playback of UCF (Universal Communications Format) rich media files requires appropriate players. To view this type of rich media files in the meeting, please check whether you have the players installed on your computer by going to <https://energy.webex.com/energy/systemdiagnosis.php>.



## QUESTIONS

During the PON process, questions of clarification must be directed to the Grants Officer listed in the following section. You may ask questions at the Pre-Application Workshop and you may submit written questions via mail, electronic mail, and by FAX. However, all questions must be received by 5:00 p.m. on the date listed in the “Key Activities and Dates” table earlier in this PON.

Question and answer sets will be e-mailed to all parties who attended the Pre-Application Workshops and provided their contact information on the sign-in sheet. The questions and answers will also be posted on the Commission’s website at: <http://www.energy.ca.gov/contracts/index.html>.

Any verbal communication with a Commission employee concerning this PON is not binding on the State and shall in no way alter a specification, term, or condition of the PON. Therefore, all communication should be directed in writing to the Energy Commission’s Grant Officer assigned to the PON.

## CONTACT INFORMATION

Crystal Presley-Willis Grants Officer  
California Energy Commission  
1516 Ninth Street, MS-18  
Sacramento, California 95814  
Telephone: (916) 654-5067  
FAX: (916) 654-4067  
E-mail: [Crystal.Presley-Willis@energy.ca.gov](mailto:Crystal.Presley-Willis@energy.ca.gov)

## REFERENCE DOCUMENTS

Applicants responding to this PON may want to familiarize themselves with the following documents:

- **Sonoma County Community Renewable Energy – A Local Level Approach to Renewable Energy Portfolio**  
<http://www.energy.ca.gov/2010publications/CEC-500-2010-FS/CEC-500-2010-FS-021.PDF>
- **CERTS – Smart Grid Demonstration with Renewable Energy Integration**  
<http://www.energy.ca.gov/2010publications/CEC-500-2010-FS/CEC-500-2010-FS-005.PDF>

The reference documents are on display and available for review in the Energy Commission’s Library. Library hours are Monday - Friday from 8:30 a.m. to 4:30 p.m., closed for lunch 12:00-1:00p.m. The Library is located at: California Energy Commission, 1516 Ninth Street, First Floor, Sacramento, CA 95814, (916) 654-4292.

### III. Application Format, Required Documents, and Delivery

#### ABOUT THIS SECTION

This section contains the format requirements and instructions on how to submit an application. The format is intended to help the Applicant meet State requirements and to enable the Commission to evaluate each application uniformly and fairly. Applicants must follow all application format instructions, answer all questions, and supply all requested data.

#### REQUIRED FORMAT FOR APPLICATION

All applications submitted under this PON must be typed or printed using a standard 11-point font, singled-spaced with a blank line between paragraphs. Pages must be numbered and sections titled and printed back-to-back. Spiral or comb binding is preferred and tabs are encouraged. Binders are discouraged. The original application should be bound only with a binder clip.

#### NUMBER OF COPIES

Applicants must submit the original and 8 copies of the application.

Applicants must also submit electronic files of the application on **CD-ROM or USB memory stick** along with the paper submittal. Only one CD-ROM or USB memory stick is needed. Electronic files must be in Microsoft Word XP (.doc format) and Excel Office Suite formats. Completed Budget Forms, Attachment 7, must be in Excel format. Electronic files submitted via e-mail will not be accepted.

#### PACKAGING AND LABELING

The original and copies of the application must be labeled "Program Opportunity Notice PON-12-502" and include the title of the application.

Include the following label information and deliver your application, in a sealed package:

Contact Person's Name and Phone #  
Applicant's Name  
Street Address  
City, State, Zip Code  
FAX #

PON-12-502  
Contracts, Grants & Loans Office, MS-  
18  
California Energy Commission  
1516 Ninth Street, 1st Floor  
Sacramento, California 95814

## **PREFERRED METHOD FOR DELIVERY**

An Applicant may deliver an application by:

- U.S. Mail
- In Person
- Courier service

Applications must be delivered **no later than 3:00 p.m.** to the Commission Contracts, Grants and Loans Office during normal business hours and prior to the date and time specified in this PON. In accordance with Public Contract Code 10344, applications received after the specified date and time are considered late and will not be accepted. There are no exceptions to this law. Postmark dates of mailing, E-mail and facsimile (FAX) transmissions are not acceptable in whole or in part, under any circumstances.

## **ORGANIZE YOUR APPLICATION AS FOLLOWS**

### **SECTION 1, Administrative Response**

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### **SECTION 2, Technical and Cost Application**

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| 13. California-Based Entity Form     | Attachment 11 |
| 14. Resolution (if applicable)       | Attachment 13 |

## PROPOSAL REQUIREMENTS

### 1. Application Form

The proposal must include an original Application Form signed by an authorized representative of the Applicant's organization. This signature certifies that all information in the application is correct and complete to the best of the applicant's knowledge that the applicant has read the Terms and Conditions and will accept them without negotiation if awarded.

### 2. Executive Summary

The Executive Summary must include, at a minimum, a project description, project objectives, and quantitative and measurable goals to be achieved. The maximum length of the Executive Summary is **four (4)** pages.

### 3. Project Narrative

The Project Narrative must include a detailed description of the proposed project(s), including the entity that will own and operate the project(s) and the operational goals and objectives of the project(s). The maximum length of the project narrative is **twelve (12) pages**. The narrative must include:

- A clear statement of which research topic has been selected (please see "Eligible Projects" for a description of each research topic).
- A detailed discussion of how the proposed project addresses each of the scoring criteria. Provide sufficient detail so that reviewers will be able to evaluate the proposal against each of the criteria.
- A description of the current status of research in the area of the proposed project, barriers to advancement of the research area, and why the proposed project is the next logical step to advance scientific understanding in the research area.
- A description of project collaboration and coordination, especially the pathway to wider use of the research products.
- Project budget information, including the source(s) and use of match funding, a justification for any in-kind match funding, an explanation of how funds will be spent in California, and the reasons why the project is not likely to be funded by competitive or regulated markets.
- Any other significant factors to enhance the value of the proposal, including highlights of previous work and innovative features related to the proposed project.

The description of activities proposed in the Project Narrative must conform to the tasks described in the Scope of Work.

### 4. Scope of Work

Instructions for completing the Scope of Work as well as a sample are included in Attachment 2. **Electronic files for the Scope of Work must be in MS Word.**

The Scope of Work should provide anticipated direct and indirect benefits to California electricity ratepayers.

## 5. Schedule of Products and Deliverables

All work must be scheduled for completion by March 31, 2015. **Electronic files for the Schedule of Products and Due Dates must be in MS Excel.**

## 6. Project Team Description

- Identify by name all key personnel assigned to the project, including the project manager, and clearly describe their individual areas of responsibility. The project manager is the individual responsible for interacting with the Energy Commission Grant Manager on all issues relating to the overall project and coordinating all aspects of work under the project.
- For each individual, include: (1) company; (2) position title; (3) job description; (4) individual resume (maximum of two pages); and (5) contact information.
- Include a letter of commitment from key project partners and proposed demonstration sites.
- Provide a list of past projects detailing relevant technical and business experience.

## 7. Client References

Please provide the required references.

## 8. Budget

### a. Budget Forms

Task Summary	Attachment 7, Att B-1
Category Summary	Attachment 7, Att B-2
Prime Labor Rates	Attachment 7, Att B-3
Labor Rates for each Subcontractor	Attachment 7, Att B-3a-z
Prime Non-Labor Rates	Attachment 7, Att B-4
Non-Labor Rates for each Subcontractor	Attachment 7, Att B-4a-z
Direct Operating Expenses	Attachment 7, Att B-5
Match Funding	Attachment 7, Att B-6
Prime Loaded Rates	Attachment 7, Att B-7
Loaded Rates for each Subcontractor	Attachment 7, Att B-7a-z
Rates Summary	Attachment 7, Att B-8

The applicant must submit information on **all** of the attached budget forms, and this will be deemed the equivalent of a formal Cost Application. Detailed instructions for completing these forms are included at the beginning of Attachment 7 (Budget Forms).

Rates and personnel shown must reflect rates and personnel the applicant would charge if chosen as the Recipient for this PON. The salaries, rates, and other costs entered on these forms become a part of the final agreement.

The entire term of the agreement and projected rate increases must be considered when preparing the budget. The rates bid are considered capped and shall not change during the term of the agreement. The Recipient will only be reimbursed for its **actual** rates up to these rate caps. The hourly rates provided in all B-3s must be unloaded (before fringe benefits, overheads, general and administrative (G&A) or profit).

**NOTE:** The information provided in these forms will **not** be kept confidential.

***Attachment B-6: Loaded Hourly Rate Calculation***

This attachment will be used for the purposes of calculating the average hourly rate score under **cost criterion 5.1**, located in the Evaluation Criteria Worksheet. The loaded hourly rate is defined as direct labor, fringe benefits, non-labor rates (overhead, general and administrative, etc., as applicable), and profit (if applicable).

1. Use one form for the Applicant (Prime Recipient) and one for each Sub-recipient. Insert your company or organization name at the top of the form.
2. For each staff person from this company or organization that will be directly billed to this agreement:
  - Provide the job classifications or title.
  - Insert the unloaded hourly rates in the direct labor column. You must use the rates provided on Forms **B-3 and B-4** for your company or organization when calculating the loaded hourly rates. Follow the instructions on the form, Attachment **B-6**, Loaded Hourly Rate Calculation, in the budget workbook.

**b. Budget Requirements**

1. All project expenditures (match share and reimbursable) must occur within the approved term of the agreement.
2. The Budget should allow for the expenses of a Kick-off Meeting, at least one Critical Project Review meeting, and a Final meeting. It is anticipated that meetings will be conducted at the Energy Commission, located in Sacramento, CA.

Applicants should budget for items such as permits and insurance. The Energy Commission will not pay for permitting, but it may be accounted for in match share.
3. The Budget should allow for the preparation and submission of monthly/quarterly progress reports (1-2 pages each) and a Final Report during the approved term of the agreement. Instructions for preparing the Final Report will be provided to successful applicants.
4. Equipment (defined as items with a unit cost greater than \$5,000

and a useful life of greater than one year) purchased with Energy Commission funds will require disposition at the end of the project. Typically, Grant Recipients may continue to use equipment purchased with Energy Commission funds if the use is consistent with the intent of the original Grant Agreement. *There are no disposition requirements for equipment purchased with match share funding.*

5. The Budget must reflect estimates for **actual** costs to be incurred during the approved term of the project. The Energy Commission can only approve and reimburse for actual costs that are properly documented in accordance with the Grant Terms and Conditions.
6. The Budget must **NOT** include any profit from the proposed project, either as a reimbursed item or as match share. Please review the Grant Terms and Conditions for additional restrictions and requirements.
7. In addition to cost forms, Applicants must submit letters of commitment identifying the source(s) and availability of match funding.

#### **9. Prevailing Wage Special Condition**

This condition identifies prevailing wage compliance requirements.

#### **10. Prevailing Wage Compliance Certificate**

If the project requires payment of prevailing wages, the Recipient must: (1) complete and sign this certificate; and (2) obtain signatures from all of its contractors and any subcontractors involved in public works funded by this Agreement.

#### **11. Information on Compliance with Prevailing Wages**

This question and answer form clarifies the prevailing wage compliance requirement.

#### **12. CEQA Worksheet**

The Energy Commission requires the information in this worksheet to assist its evaluation under the California Environmental Quality Act (California Public Resources Code Section 21000 et. seq.).

## **IV. Evaluation Process and Criteria**

### **ABOUT THIS SECTION**

This section describes the evaluation stages and scoring process for applications.

### **APPLICATION EVALUATION**

Applications will be evaluated and scored based on responses to the information requested in this PON. The entire evaluation process from receipt of applications to posting of the Notice of Proposed Award (NOPA) is confidential.

To evaluate all applications, the Energy Commission will organize an Evaluation Committee that may consist of Energy Commission staff or staff of other California state entities. Applications will be evaluated in two stages:

#### **Stage One: Administrative and Completeness Screening**

The Grants Office will screen Applications for compliance with proposal requirements and the Grounds for Rejection sections of this solicitation. Applications that fail Stage One shall be disqualified and eliminated from further evaluation.

#### **Stage Two: Technical and Cost Evaluation of Applications**

Applications passing Stage One will be submitted to the Evaluation Committee to review and score based on the Evaluation Criteria in this PON.

During the evaluation and selection process, the Evaluation Committee may schedule a clarification interview with an Applicant that will either be held by telephone or in person at the Energy Commission for the purpose of clarification and verification of information provided in the application. However, these interviews may not be used to change or add to the contents of the original Application. Applicants will not be reimbursed for time spent answering clarifying questions.

The total score for each Application will be the average of the combined scores of all Evaluation Committee members. A minimum score of 70 percent is required for the application to be eligible for funding.

The Energy Commission will propose awards starting with the highest ranked project. Applications passing Stage Two will be awarded in the order received until all funds are exhausted.

### **NOTICE OF PROPOSED AWARD (NOPA)**

The results of the Energy Commission's decision of proposed funding level, the rank order of proposers, and the amount of each proposed award will be posted in a NOPA. The Commission will post a NOPA at the Commission's headquarters in Sacramento and on its web site, and will mail the NOPA to all parties that submitted an application.



## DEBRIEFINGS

Unsuccessful applicants may request a debriefing after the release of the NOPA. A request for debriefing must be received no later than 15 days after the NOPA is released.

## SCORING SCALE

Using this Scoring Scale, the Evaluation Committee will give a score (% of possible points) for each criterion described in Scoring Criteria. The % of possible points will be multiplied by the possible points for each criterion.

<b>% of Possible Points</b>	<b>Interpretation</b>	<b>Explanation for Percentage Points</b>
0%	Not Responsive	Response does not include or fails to address the requirements being scored. The omission(s), flaw(s), or defect(s) are significant and unacceptable.
25%	Minimally Responsive	Response minimally addresses the requirements being scored. The omission(s), flaw(s), or defect(s) are significant and unacceptable.
50%	Inadequate	Response addresses the requirements being scored, but there are one or more omissions, flaws, or defects or the requirements are addressed in such a limited way that it results in a low degree of confidence in the proposed solution.
70%	Adequate	Response adequately addresses the requirements being scored. Any omission(s), flaw(s), or defect(s) are inconsequential and acceptable.
80%	Good	Response fully addresses the requirements being scored with a good degree of confidence in the Applicant's response or proposed solution. No identified omission(s), flaw(s), or defect(s). Any identified weaknesses are minimal, inconsequential, and acceptable.
90%	Excellent	Response fully addresses the requirements being scored with a high degree of confidence in the Applicant's response or proposed solution. Applicant offers one or more enhancing features, methods or approaches exceeding basic expectations.
100%	Exceptional	All requirements are addressed with the highest degree of confidence in the Applicant's response or proposed solution. The response exceeds the requirements in providing multiple enhancing features, a creative approach, or an exceptional solution.

## SCORING CRITERIA

Detailed Technical, Policy and Cost Scoring Criteria	Possible Points
<p><b>1. Description of Technologies/Innovations, Policy, Barriers, and Gap Analyses</b></p> <ul style="list-style-type: none"> <li>• Does the proposal identify the current status of proposed technologies and/or approaches as they have been developed by the research and industrial community at large?</li> <li>• Does the proposal clearly address significant barriers, knowledge gaps, and solutions to the expanded development of renewable energy in California's communities?</li> <li>• Does the proposal sufficiently address the objectives of one specific Research Area in this solicitation?</li> <li>• How much potential does the proposal offer to support the Governor's Clean Energy Jobs Goal of 12,000 MW of localized energy generation by 2020?</li> <li>• To what degree will the project help with addressing California's other energy policies, including AB32, Renewable Portfolio Standard goals, and environmental policies?</li> <li>• How will the proposed project leverage results from previous related work?</li> <li>• Does the proposal explain how the project is unique, critically needed, and not duplicative of other efforts?</li> <li>• To what degree does the proposed project contribute to a balanced portfolio across technology types, levels of risk, and/or time to commercialization?</li> </ul>	15 Points
<p><b>2. Technical Goals and Descriptions of Proposed RD&amp;D</b></p> <ul style="list-style-type: none"> <li>• Does the proposal describe the quantifiable/measurable technical and economic performance goals?</li> <li>• What criteria will be used to determine project successes and failures?</li> <li>• How will necessary improvements be implemented during the course of the project?</li> <li>• Does the proposal state and quantify the specific benefits, such as cost reduction, energy penetration, reliability improvement, and reduced environmental impacts that the proposed project will provide to electricity ratepayers?</li> <li>• Does the proposed project clearly describe the validity of the proposed technical approach, as well as the likelihood of success based on the soundness of the scientific and engineering principles involved?</li> <li>• Are the technical tasks clearly and logically presented, with appropriate objectives, discrete tasks, sequence of activities, appropriate deliverables, schedule, and budget?</li> </ul>	20 Points

<b>3. Cost Points</b> <ul style="list-style-type: none"> <li>• Is the overall project cost consistent with the proposed work and deliverables to be provided?</li> <li>• Has the Applicant justified all proposed personnel identified in its bid for all technical areas and functions to be performed by Prime and Team Members?</li> <li>• Are the project personnel rates, operating expenses, and overhead costs reasonable for the proposed work and consistent with experience of the project team?</li> <li>• Is the expected PIER funding appropriate and consistent with the expected level of public benefits resulting from the proposed project?</li> <li>• Is the level of match funding consistent with the expected timeline for commercialization?</li> <li>• How much match funding is leveraged from entities outside of California?</li> <li>• To what degree will the economical potential for the proposed project exceed PIER investment?</li> </ul>	<b>5 Points</b>
<b>4. Project Manager, Project Team, Match Funding and Market Connectedness</b> <ul style="list-style-type: none"> <li>• Does the proposal include suitable team members, and are individual responsibilities indicated in the proposal?</li> <li>• Does the proposal justify that the project manager and team members have the technical capabilities and specific experience to successfully manage the project, including scope, schedule and cost, and report results and accomplishments in a timely and effective manner?</li> <li>• Does the proposal include an explanation of past and current work related to the proposal that has been performed by the project team, including successes and failures?</li> <li>• Does the proposal express the degree of commitment from the Applicant and project partners as evidenced by letters of commitment or support?</li> <li>• Does the proposal identify stakeholders and beneficiaries of the proposed technology or innovation?</li> <li>• Does the proposal include a sound plan for the communication of project results to the market?</li> <li>• Does the proposal indicate a clear path for the project to be replicated and scaled up?</li> </ul>	<b>10 Points</b>

<p><b>5. Unloaded versus Loaded Rates</b></p> <p>Weighted Average Unloaded Hourly Labor Rate/ Weighted Average Loaded Labor Rate ratio (Cost Points). The Score for this criterion will be derived from Attachment 7 Budget Forms (Att B8 Rates Summary worksheet) which compares the weighted unloaded rate to the weighted loaded rate. This ratio, which is a percentage, is multiplied by the possible points for this criterion. Fill in budget worksheets Att B1 through Att B6 for the Prime and all major subcontractors. Sheets B7 (including B7a-z) and B8 will fill in automatically. Applicants must include all possible classifications on Att B3 as no new classifications may be added during the agreement.</p>	<p><b>10 Points</b></p>
<p><b>6. California Based Spending</b> (See <i>Economic Investment in California</i>, Page 7)</p> <ul style="list-style-type: none"> <li>What percentage of total PIER funds in excess of 60% is proposed to be spent within California? Points will be according to the following scale: <ul style="list-style-type: none"> <li>60%-63% of PIER funds spent in CA = 1 point out of 15</li> <li>&gt;63%-66% = 2 points</li> <li>&gt;66%-69% = 3 points</li> <li>&gt;69%-72% = 4 points</li> <li>&gt;72%-75% = 5 points</li> <li>&gt;75%-78% = 6 points</li> <li>&gt;79%-82% = 7 points</li> <li>&gt;82%-85% = 8 points</li> <li>&gt;85%-87% = 9 points</li> <li>&gt;87%-89% = 10 points</li> <li>&gt;89%-91% = 11 points</li> <li>&gt;91%-93% = 12 points</li> <li>&gt;93%-95% = 13 points</li> <li>&gt;96%-98% = 14 points</li> <li>&gt;98%-100% = 15 points</li> </ul> </li> </ul>	<p><b>15 Points</b></p>
<p><b>7. Research Areas – Separate criteria will be used for each Research Area as shown below:</b></p> <p><b>A. Community-scale Renewable Energy Integration Demonstration</b></p> <p>–Following criteria will be used for research area A <b><u>only</u></b>:</p> <ul style="list-style-type: none"> <li>Does the proposed community have the technical potential, stakeholder support, and long-term vision to generate a majority of its energy needs with locally-available renewables?</li> <li>What unique community attributes provide a significant advantage over other communities that wish to pursue a Community Renewable Energy vision?</li> <li>What level of support has been shown by local stakeholders and policy leaders to pursue a Community Renewable Energy vision?</li> <li>What is the potential for this project to be replicated in other California communities?</li> </ul> <p>-----</p> <p><b>B. Community-scale Renewable Energy Integration Exploration</b></p>	<p><b>25 Points</b></p>

<p>–Following criteria will be used for research area B <b><u>only</u></b>:</p> <ul style="list-style-type: none"> <li>• Is the proposed technology portfolio suitable for the community as justified by technical potential, economic viability, and regional infrastructure?</li> <li>• How well does the proposed project take advantage of specific renewable resources available within the region?</li> <li>• To what degree does the project address barriers to greater deployment and integration of multiple renewable energy and/or storage technologies?</li> <li>• Does the proposal include an assessment study, including capital and operating costs, cost/benefit analysis, payback period, installed cost per MWe, Levelized Cost of Energy (LCOE), Return on Investment (ROI), avoided cost of electricity, and quantification of overall benefits of the project?</li> <li>• To what extent will the proposed project reduce the community’s reliance on imported energy sources, including natural gas, transportation fuel, and electricity?</li> <li>• What level of support has been demonstrated by local policy-makers and community stakeholders?</li> </ul> <p>-----</p> <p><b>C. Breakthrough Renewable Energy Technology Development</b></p> <p>–Following criteria will be used for research area C <b><u>only</u></b>:</p> <ul style="list-style-type: none"> <li>• Does the proposal offer acceptable evidence of the technology’s potential to increase performance, reduce overall costs, and/or increase market acceptance of renewable energy compared to existing commercial technologies?</li> <li>• How valuable are the breakthrough characteristics of the proposed technology?</li> <li>• How does the projected cost of generation for the proposed technology compare with the cost of grid purchased electricity?</li> <li>• What is the justifiable market potential of proposed technology on a 2020 timeline, and what are the underlying assumptions?</li> <li>• How does the proposed technology significantly improve on the state of the art for community scale renewable energy?</li> <li>• What specific benefits does the proposed technology offer to California electricity customers?</li> <li>• What is the likelihood that the project will receive follow-on funding and result in a commercialized product by 2020?</li> </ul>	
<b>Minimum Passing Technical Evaluation Points</b>	70
<b>Total Possible Technical Evaluation Points</b>	100

## **V. Administration**

### **DEFINITION OF KEY WORDS**

Important definitions for this PON are presented below:

<b>Word/Term</b>	<b>Definition</b>
State	State of California
Energy Commission	California Energy Commission
PON	Program Opportunity Notice, this entire document. A competitive method used to award funding.
Application	Formal written response to this document from Applicant
Applicant	Respondent to this PON
CAM	Commission Agreement Manager
IOU	Investor-Owned Utility

### **COST OF DEVELOPING APPLICATION**

The Applicant is responsible for the cost of developing an application. This cost cannot be charged to the State.

### **CONFIDENTIAL INFORMATION**

The Commission will not accept or retain any applications that are marked confidential in their entirety. Applicants are strongly discouraged from requesting confidential treatment for any of the information contained in an application.

### **PON CANCELLATION AND AMENDMENTS**

It is the policy of the Energy Commission not to solicit proposals unless there is a bona fide intention to award an Agreement. However, if it is in the State's best interest, the Energy Commission reserves the right to do any of the following:

- Cancel this PON;
- Revise the amount of funds available under this PON;
- Amend this PON as needed; or
- Reject any or all applications received in response to this PON

If the PON is amended, the Energy Commission will send an addendum to all parties who requested the PON and will also post it on the Energy Commission's website at [www.energy.ca.gov/contracts](http://www.energy.ca.gov/contracts).

## **ERRORS**

If an Applicant discovers any ambiguity, conflict, discrepancy, omission, or other error in the PON, the Applicant shall immediately notify the Commission of such error in writing and request modification or clarification of the document. Modifications or clarifications will be given by written notice to all parties who requested the PON, without divulging the source of the request for clarification. The Commission shall not be responsible for failure to correct errors.

## **MODIFICATION OR WITHDRAWAL OF APPLICATION**

An Applicant may, by letter to the Contact Person at the Energy Commission, withdraw or modify a submitted application before the deadline to submit applications. Applications cannot be changed after that date and time. An Application cannot be “timed” to expire on a specific date. For example, a statement such as the following is non-responsive to the PON: “This application and the cost estimate are valid for 60 days.”

## **IMMATERIAL DEFECT**

The Energy Commission may waive any immaterial defect or deviation contained in an Applicant’s application. However, the Energy Commission’s waiver shall in no way modify the application or excuse the successful Applicant from full compliance.

## **DISPOSITION OF APPLICANT’S DOCUMENTS**

On the Notice of Proposed Award posting date, all applications and related material submitted in response to this PON become a part of the property of the State and public record. Applicants who want any work examples submitted with their applications to be returned to them shall make this request and provide either sufficient postage, or a Courier Charge Code to fund the cost of returning the examples.

## **APPLICANTS’ ADMONISHMENT**

This PON contains the instructions governing the requirements for a firm quotation to be submitted by interested Applicants, the format in which the technical information is to be submitted, the material to be included, the requirements that must be met to be eligible for consideration, and Applicant responsibilities. Applicants are responsible for carefully reading the entire PON, asking appropriate questions in a timely manner, submitting all required responses in a complete manner by the required date and time, making sure that all procedures and requirements of the PON are followed and appropriately addressed, and carefully rereading the entire PON before submitting an application.

## **GROUND TO REJECT A APPLICATION**

**An Application shall be rejected if:**

- It is received after the exact time and date for receipt of applications as identified in Section 1 (Public Contract Code, Section 10344).

- It contains false or intentionally misleading statements or references which do not support an attribute or condition contended by the Applicant.
- It is intended to erroneously and fallaciously mislead the State in its evaluation of the Application and the attribute, condition, or capability is a requirement of this PON.
- It contains confidential information.
- The Applicant is a publicly-owned utility.
- The Applicant does not agree to the terms and conditions attached to the solicitation either by not signing the Application Form or by stating anywhere in the bid that acceptance is based on modifications to those terms and conditions or separate terms and conditions.
- **Attachment B-2 of the budget does not show that at least 60% of funds are allocated to CBEs and/or government entities in California, in accordance with the budget instructions.**
- **Attachment B-2 of the budget does not show that at least 60% of PIER funds will be spent in California, in accordance with the budget instructions.**
- The budget does not include a CBE or government entity located in California as a recipient or subcontractor.
- **The proposed demonstration site is not located in a California electric IOU service territory.**
- **The proposed project extends beyond the March 31, 2015 deadline.**

**An Application may be rejected if:**

- It is not prepared in the mandatory format described.
- It is unsigned.
- The firm or individual has submitted multiple applications for the same technical task(s).
- It does not literally comply or contains caveats that conflict with the PON and the variation or deviation is not material, or it is otherwise non-responsive.
- The bidder has previously completed a PIER agreement, received the PIER Royalty Review letter (which the Commission annually sends out to remind past recipients of their obligations to pay royalties) and has not responded to the letter or is otherwise not in compliance with repaying royalties.
- The budget forms are not filled out completely.

**AGREEMENT REQUIREMENTS**

The content of this PON shall be incorporated by reference into the final agreement. See the Agreement terms and conditions included in this PON.



The Energy Commission reserves the right to negotiate with Applicants to modify the project scope, the level of funding, or both. If the Energy Commission is unable to successfully negotiate and execute a funding agreement with an Applicant, the Energy Commission, at its sole discretion, reserves the right to cancel the pending award and fund the next highest ranked eligible project.

The Grant Agreement will be scheduled and heard at an Energy Commission Business Meeting for approval.

Public agencies that receive funding under this PON must provide an authorizing resolution (approved by their governing authority) that authorizes the Agreement with the Energy Commission and designates an authorized representative to sign the Agreement.

The Energy Commission will send the approved Grant Agreement, including the general Terms and Conditions and any additional terms and conditions, to the grant recipient for review, approval, and signature. Once the grant recipient signs, the Energy Commission will fully execute the Grant Agreement. Recipients are approved to begin the project only after full execution of the Grant Agreement.

### **No Agreement Until Signed and Approved**

No agreement between the Commission and the successful Applicant is in effect until the agreement is signed by the Recipient, approved at a Commission Business Meeting, and signed by the Energy Commission representative.

The Energy Commission reserves the right to modify the award documents prior to executing the Agreement.

### **Agreement Amendment**

The Agreement executed as a result of this PON may be amended by mutual consent of the Commission and the Recipient. The Agreement may require amendment as a result of project review, changes and additions, changes in project scope, or availability of funding.

### **PAYMENT OF PREVAILING WAGES**

Some projects under this solicitation might be considered public works pursuant to the California Labor Code. If the project is a public work, prevailing wage is required. The California Department of Industrial Relations (DIR) has jurisdiction to decide whether a particular project is a public work. If the project involves construction, alteration, demolition, installation, repair or maintenance work, it probably would be considered by DIR to be a public work. Examples of the activities that would probably lead DIR to find that the project involves public works include: cement work, site preparation such as grading, surveying, electrical work such as wiring, and carpentry work. Certain workers are entitled to prevailing wage, such as operating engineers, surveyors, carpenters, laborers, etc. However, other workers are not subject to State prevailing wage laws, such as design or pre-construction engineers or project superintendent who do not perform work on the projects.

Applicants must determine if the proposed project(s) involve(s) public works, and ensure that the project budget for labor reflects all prevailing wage requirements. The budget should indicate which job classifications are subject to prevailing wage.

In order to determine if the proposed project(s) involve(s) public works, please contact DIR as advised in Attachment 6. If the Applicant is unsure whether the proposed project(s) involve(s) public works and has not received a determination from DIR that the project is not a public work, the Applicant is advised to prepare a budget assuming that prevailing wage laws apply.

If the proposed project is a public work, or is assumed to be a public work, the Applicant can contact DIR for a list of covered trades and the applicable prevailing wage. Any agreement resulting from this solicitation will include the requirements for a public works project, such as paying prevailing wage, keeping payroll records, complying with working hour requirements, and apprenticeship obligations. See the sample terms and conditions, the Special Condition regarding Prevailing Wage Compliance (Attachment 4), and Prevailing Wage Compliance Certification Form (Attachment 5).

For detailed information about prevailing wage and the process to determine if the proposed project(s) is a public work, see the Prevailing Wage Compliance Questions and Answers (Attachment 6).